

Markets

SFE 200 Futures (9.30am AEDST)	5357	19	0.4
NZX 50	6822	7	0.1
DJIA Futures	18869	0	0.0
S&P 500 Futures	2184	12	0.5
NASDAQ Futures	4829	45	1.0

Local Markets Commentary

The Australian market opens Friday trade on positive equities and mixed key commodities leads. In overnight commodities trade, US **gold** futures traded lower. **Oil** swung but settled lower. **Iron ore** turned higher. **Copper** did likewise and rallied. The **\$A** dropped to ~74.20c after climbing to ~US74.80c yesterday evening.

Regionally today, October property prices are expected out of **China 12.30pm** AEDST.

Overseas Markets

INDEX	CLOSE	+/-	%
Dow Jones	18904	36	0.2
S&P 500	2187	10	0.5
NASDAQ	5334	39	0.7
FTSE 100	6795	45	0.7
DAX 30	10686	22	0.2
Shanghai Comp	3208	3	0.1

Overseas Markets Commentary

Major European and US equities markets settled higher following a swag of economic indicator reports and public comments from the US Federal Reserve.

Energy costs helped push **US** October CPI 0.4% higher for the month. Core CPI (ex-energy and food) rose 0.1%. Year-on-year, CPI growth came in at 1.6%. Core prices rose 2.1%.

Federal Reserve chair Janet Yellen told a parliamentary economic committee overnight that stronger inflation was one reason the case for a rate rise had become stronger.

Additional overnight reports supported rate views.

October housing starts jumped 25.5% to a nine-year peak and building permits rose 0.3%.

Weekly new unemployment claims fell 19,000 to 235,000.

A Philadelphia region manufacturing index fell 2.1 to 7.6, but nonetheless represented expansion-mode activity for a fourth consecutive month.

Across in the **UK**, October retail sales rose (by volume) an annual 7.4%, the quickest pace in 14 years. The government attributed the gain to cool weather and Halloween buying.

Euro zone October CPI growth was confirmed in a final reading at 0.5%.

Tonight in the US, a leading index and another regional manufacturing index are due.

In Frankfurt, European Central Bank (**ECB**) president Mario Draghi is scheduled to speak at

China - October property prices anticipated **12.30pm** AEDST.

* Minerals exploration listing **1.30pm** AEDST - **GBR** *

Today's Stock Watch

Myer Holdings (MYR)

0.6% higher, \$719.2M September quarter sales. AGM today. Meanwhile, MYR has appointed JoAnne Stephenson as a non-executive director, effective 28 November. Ms Stephenson chairs the Victorian Major Transport Infrastructure Board and Melbourne Chamber Orchestra, and is an Asaleo Care (ASX: AHY) and Japara Healthcare (ASX: JHC) non-executive director.

AusNet Services (AST)

52% lower, \$178.6M interim NPAT. 5% lower, \$1.0B revenue. 4.4c interim dividend, 50%-franked. 84c NTA. Tax benefits supported 1H FY 2016 results.

AST has appointed Macquarie Atlas Roads (ASX: MQA) chair Nora Scheinkestel as a non-executive director. Dr Scheinkestel is also a director of Telstra Corp (TLS) and Stockland (SGP). AST director Tina McMeckan is proposing to retire from the AST at the conclusion of the July 2017 AGM.

Sydney Airport (SYD)

8.3% year-on-year October international passenger growth has pushed the year-to-date rate to 9.3%. Overall October passenger numbers grew 3.7%, producing a 5.9% year-to-date rise.

Kathmandu Holdings (KMD)

Expecting flat 1H FY 2017 profit. 2.8% higher sales, and 1.4% higher same store sales, on a constant exchange basis for the 15 weeks to 13 November. Total sales fell 0.6% on actual exchange rates. Today's AGM presentation and chairman's address lodged.

Automotive Holdings Group (AHG)

Anticipating 20.8% lower, \$22.0M FY 2017 operating NPAT and 7.8% lower, \$62.7M EBITDA. AGM today (1pm AEDST), Perth.

Fonterra Shareholders' Fund (FSF)

Fonterra Co-operative is boosting the 2016-17 forecast farm-gate milk price NZ75c to \$NZ6.00/kgMS. In addition, Fonterra is reporting 6% higher, \$NZ3.8B September quarter year-on-year revenue growth, with a 22% gross margin.

Silver Chef Group (SIV)

Investigating a 'material' fraud, related to the GoGetta business. As a result of the fraud, anticipating \$4M - \$5M 1H FY 2017 NPAT, against \$10.3M for 1H FY 2016. The accounts will include a fraud-associated \$2.3M after-tax impairment. Underlying NPAT is expected to be \$6.3M - \$7.3M, against \$7.6M. SIV will implement strategies to reduce the fraud impact on full-year results, and is forecasting \$21M - \$23M full-year NPAT, and \$23M - \$25M underlying NPAT.

WH Soul Pattinson & Co (SOL)

Trading ex-dividend (31c) today.

Resources

Great Boulder Resources (* GBR)

Gold explorer scheduled to list 1.30pm AEDST following a \$6.1M IPO at 20c per share.

Euro Finance Week.

Overnight, a **buy** recommendation boosted Microsoft.

Cisco Systems suffered after forecasting, post-US trade Tuesday, a pullback in December quarter revenue.

Retailer **Wal-Mart** also fell, despite matching quarterly earnings expectations and lifting the lower end of forecast full-year profit.

Best Buy managed to please with its better-than-anticipated results, in no small part due to last night's new housing data supporting likely ongoing demand for household goods.

Meanwhile, the US is preparing to celebrate Thanksgiving Thursday this coming week.

Commodities

COMMODITY	CLOSE	\$US/	+/-	%
Gold (NY) (Dec)	1217	oz	-7	-0.6
Silver (NY) (Dec)	16.8	oz	-0.1	-0.7
Gold (LON)	1227	oz	-2	-0.2
Platinum	932	oz	-10	-1.1
WTI Crude (Dec)	45.4	bbl	-0.2	-0.3
Brent Crude (Jan)	46.5	bbl	-0.1	-0.3
Iron Ore (Tianjin)	72.7	t	0.5	0.7
Copper (LME)	5496	t	63	1.2
Nickel	11245	t	-85	-0.8
Aluminium	1688	t	-9	-0.5
Lead	2168	t	7	0.3
Zinc	2533	t	9	0.4
Tin	20200	t	300	1.5
CBT Wheat (Dec)	4.03	bshl	0.06	1.5

Commodities Commentary

Oil – prices fell in US second-half trade, \$US vigour appearing to prevail. Post-settlement, WTI traded ~1% lower.

Earlier, output agreement optimism talk from **Saudi Arabia's** energy minister Khalid al-Falih again supported prices, together with comments from fellow OPEC members **Algeria** and **Qatar**.

A weekly US petroleum drill rig count is due tonight.

Gold – traded at 5.5-month lows as Federal Reserve chair Janet Yellen confirmed to a parliamentary economic committee that a rate rise appeared appropriate 'relatively soon'.

Base metals – renewed *copper* rally attributed by some to investment buying out of China.

Anglo American also announced a suspension of operations at a copper mine in Chile, due to protestor disruptions.

Exchange Rates

CURRENCIES	LAST	+/-	%
AUD – USD	0.7407	-0.0002	-0.03
EUR – USD	1.0625	-0.0001	-0.01

US Data Tonight

Conf Board leading index	Oct
Kansas City Fed manufacturing	Nov

Other Overseas Data Today & Tonight

China	Property prices	Oct
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Pre-Open Announcements
Goodman Group (* GMG) / Platinum Asset Management (* PTM)

Credit Suisse has re-rated GMG as outperform and PTM as underperform, each from neutral.

Brambles Ltd (* BXB)

Reassessed by Macquarie as outperform, from neutral.

Village Roadshow (* VRL) / Sealink Travel (* SLK)

Ord Minnett has cancelled a VRL buy recommendation, replacing it with hold advice. Meanwhile, Ord Minnett recommends SLK as a buy, cancelling hold advice.

Thred Ltd (* THD)

Bringing forward the planned release of the Beta version of the company's native app to this coming week, pending final sign-offs. The app will be available on both Apple operating system and Android devices, but only by invitation. In addition, proposed third party integrations with Uber and MicrosoftOffice365 will likely commence earlier than originally planned. THD is resuming from a trading halt having last traded at 1.9c.

Resources
St Barbara (* SBM)

Proposing to buy back an additional \$US33M worth of US secured notes.

Mineral Resources (* MIN)

Macquarie has re-assessed MIN as outperform, from neutral. In the meantime, MIN shareholders voted down the company's annual remuneration report.

Davenport Resources

Davenport Resources is a multi-mineral exploration company seeking to list on the ASX in mid-December.

The company is conducting a \$5M - \$6M IPO at 20c per share.

Once the IPO is completed, Davenport will hold two exploration licences in a potash production region in central Germany.

Based on exploration records for the licences, Davenport anticipates proving a JORC-compliant potash resource within three years.

Davenport knows the licences and their potential well. They are held mostly by Potash West, whose MD Patrick McManus is Davenport Resources' non-executive chairman. Davenport's MD will be Potash West director Christopher Bain.

Due to its recent history as an Arunta Resources subsidiary, Davenport Resources also holds the Southern Cross Bore copper-gold project in the Arunta province, Northern Territory.

State One holds firm stock in the Davenport Resources offer.

For further information, please contact your advisor, or email davenport@amsco.com.au.



Germany	Producer prices	Oct
Euro zone	Current account	Sep
Euro zone	Consumer confidence	Nov

Need More Information?

Contact your State One Stockbroking advisor on 08 9288 3388 or 1300 651 898, or by email, advice@stateone.com.au.

Trading Halts

Company	Code	Resuming
Medibio Ltd	MEB	18 Nov
Wangle Technologies	WGL	18 Nov
3D Resources	DDD	21 Nov
Alligator Energy	AGE	21 Nov
Bass Strait Oil Company	BAS	21 Nov
Greenpower Energy	GPP	21 Nov
Thred Ltd	THD	21 Nov

Suspensions (selected)

Company	Code	Since
Ashley Services Group	ASH	10 Nov
BGD Corporation	BGD	7 Nov
Carbon Energy	CNX	10 Nov
Cardinal Resources	CDV	4 Nov
Estrella Resources	ESR	3 Nov
Nyota Minerals	NYO	15 Nov
Transerv Energy	TSV	25 Oct
TV2U International	TV2	2 Nov
TW Holdings	TWH	31 Oct

Ex-Dividends

Code	Ex-Div	Div (c)	Fr (%)	Yield (%)
AYD	Today	10	100	3.46
AYH	Today	5	100	4.52
AYJ	Today	54	100	3.71
AYK	Today	37	100	3.27
AYZ	Today	54	100	3.52
SOL	Today	31	100	3.42

Reports & Events

(selected scheduled)

When	Company	Report/Event
Today	ALU	AGM
	AST	Interim
	AHG	AGM
	IGO	AGM
	ISU	AGM
	KMD	AGM
	LNK	AGM
	MYR	AGM; Sales
	PDN	AGM
	RRL	AGM
	SLR	AGM
	SYD	Oct Stats
VCX	AGM	
Mon	BBN	AGM
	NCM	Investor Day
Tue	A2M	AGM
Wed	MEA	AGM
	PRG	Interim
	WEB	AGM



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Thu	EVN	AGM
	QUB	AGM
	QHL	AGM
	S32	AGM
	SEK	AGM
	WOW	AGM
Fri	AHF	AGM
	PRY	AGM